

EXHIBIT F3

Damon Jackson
April 23, 2021

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THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
GALVESTON DIVISION

STACEY KIBODEAUX aka Case No.: 3:20-cv-00008
ILLUSION, HAILEY CHAPMAN

aka DAISY, JEAN JURY TRIAL DEMANDED

HOFFMEISTER aka JOHNE and
ROXANNE MURILLO aka §

UNIQUE/ROXANNE, §

individuals, §

Plaintiff, §

vs. §

A&D INTERESTS, INC. D/B/A §

HEARTBREAKERS GENTLEMAN'S §

CLUB, MIKE A. ARMSTRONG, §

PEGGY A. ARMSTRONG AND §

WHITEY DOE, INDIVIDUALS, §

Defendants. §

ORAL DEPOSITION OF

DAMON JACKSON

April 23, 2021

ORAL DEPOSITION OF DAMON JACKSON, produced as a

witness at the instance of the Plaintiffs, and duly
sworn, was taken in the above-styled and -numbered cause
on the 23rd day of April, 2021, from 10:03 a.m. to 11:29
a.m., before Karen Aralhy Gonzalez, Commissioned Notary,
in and for the State of Texas, reported by machine
shorthand, remotely from Dallas County, Texas, pursuant
to the Texas Rules of Civil Procedure, the Texas Supreme
Court Emergency Order Regarding the Covid-19 State of
Disaster and the provisions stated on the record or
attached hereto.

Damon Jackson

April 23, 2021

2 to 5

<p style="text-align: right;">Page 2</p> <p style="text-align: center;">A P P E A R A N C E S</p> <p>1</p> <p>2</p> <p>3 FOR THE DEFENDANTS:</p> <p>4 Mr. William X. King (Via Zoom)</p> <p>5 WALLACE & ALLEN, LLP,</p> <p>6 440 Louisiana St.,</p> <p>7 Suite 1500,</p> <p>8 Houston, TX 77002</p> <p>9 Telephone: (713) 227-1744</p> <p>10 Fax: (713) 227-0104</p> <p>11 E-mail: Wking@wallaceallen.com</p> <p>12</p> <p>13 FOR PLAINTIFFS:</p> <p>14 Ms. Leigh Montgomery (Via Zoom)</p> <p>15 ELLZEY & ASSOCIATES, PLLC</p> <p>16 1105 Milford Street</p> <p>17 Houston, Texas 77066</p> <p>18 Telephone: (713) 554-2377</p> <p>19 Fax: (888) 276-3455</p> <p>20 E-mail: Leigh@ellzeylaw.com</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p style="text-align: right;">Page 4</p> <p>1 REPORTED REMOTELY FROM DALLAS COUNTY, TEXAS</p> <p>2 P R O C E E D I N G S</p> <p>3</p> <p>4 COURT REPORTER: Today is April 23, 2021.</p> <p>5 The time is 10:03 a.m. Central Standard Time.</p> <p>6 The attorneys and witness participating</p> <p>7 acknowledge that I am not physically present in the</p> <p>8 examination room and that I will be reporting this</p> <p>9 remotely. They further acknowledge that in lieu of an</p> <p>10 oath administered in person, I will administer the oath</p> <p>11 remotely. This arrangement is pursuant to the Supreme</p> <p>12 Court emergency order regarding the COVID-19 state of</p> <p>13 disaster. The parties and their counsel consent to this</p> <p>14 arrangement and waive any objections to this manner of</p> <p>15 reporting.</p> <p>16 At this time, would you indicate your agreement</p> <p>17 on the record, please.</p> <p>18 MS. MONTGOMERY: Leigh Montgomery on behalf</p> <p>19 of plaintiffs and I agree.</p> <p>20 MR. KING: Will King on behalf of the</p> <p>21 defendants. I agree.</p> <p>22 MR. JACKSON: Damon C. Jackson, I agree.</p> <p>23 COURT REPORTER: Now, I'm going to swear you</p> <p>24 in, Mr. Jackson.</p> <p>25 So, if you could please raise your right</p>
<p style="text-align: right;">Page 3</p> <p>1</p> <p>2</p> <p>3 INDEX</p> <p>4</p> <p>5 Appearances 2</p> <p>6 SWORN STATEMENT OF DAMON JACKSON</p> <p>7 Examination by Ms. Montgomery 5</p> <p>8 Examination by Mr. King 50</p> <p>9 Changes and Signature. 64</p> <p>10 Reporter's Certificate 66</p> <p>11</p> <p>12</p> <p>13 E X H I B I T S</p> <p>14</p> <p>15 1 Heartbreakers' Facebook Page 22</p> <p>16 2 Hours and Earnings Detail Report 46</p> <p>17 3 Memo to all Dancers/Entertainers 47</p> <p>18 4 Heartbreakers' Policy. 49</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p style="text-align: right;">Page 5</p> <p>1 hand.</p> <p>2 (Witness presented government-issued</p> <p>3 identification prior to deposition and</p> <p>4 identity verified.)</p> <p>5 Do you solemnly swear or affirm the</p> <p>6 testimony you're about to give will be the truth, the</p> <p>7 whole truth, and nothing but the truth?</p> <p>8 THE WITNESS: I do.</p> <p>9 COURT REPORTER: Okay.</p> <p>10 I am ready when all parties are ready.</p> <p>11 DAMON JACKSON,</p> <p>12 having been first duly sworn, testified as follows:</p> <p>13 EXAMINATION</p> <p>14 BY MS. MONTGOMERY:</p> <p>15 Q. Mr. Jackson, are you currently an employee of</p> <p>16 Heartbreakers.</p> <p>17 A. No, ma'am. I am not.</p> <p>18 Q. When is the last time you were employed with</p> <p>19 Heartbreakers.</p> <p>20 A. Oh, it's been almost six months ago. I couldn't</p> <p>21 give you an exact date. It was probably September,</p> <p>22 yeah. And I was released after coming back from a COVID</p> <p>23 break. So we hadn't been at work for months already.</p> <p>24 Q. Okay. Well, that was going to be my next</p> <p>25 question. Were you terminated? Were you laid off? Why</p>

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<p style="text-align: right;">Page 6</p> <p>1 did you part ways with Heartbreakers?</p> <p>2 A. Heartbreakers was only allowed to stay open</p> <p>3 certain amount of hours and they decided to cut, you</p> <p>4 know, their time in half. And since my -- I had extra</p> <p>5 income, I have other businesses that I work with. So we</p> <p>6 said let a manager go, so we cut me loose for the time</p> <p>7 period.</p> <p>8 Q. Prior to being -- I'll call it like a layoff --</p> <p>9 A. Okay.</p> <p>10 Q. -- how long had you worked at Heartbreakers?</p> <p>11 A. An accumulated 33 years. I worked for them in</p> <p>12 the early 80s, when they first opened up. I went back</p> <p>13 to work for them in the early 90s like '93 and then I</p> <p>14 came back around '96 and stayed through the current</p> <p>15 date.</p> <p>16 Q. So from 1996 to September-ish 2020 --</p> <p>17 A. Yes, ma'am.</p> <p>18 Q. You were employed by Heartbreakers?</p> <p>19 A. Yes, ma'am, I did.</p> <p>20 Q. How long were you a manager at Heartbreakers?</p> <p>21 A. I was a manager for Heartbreakers for the better</p> <p>22 part of, I would say fourteen years.</p> <p>23 Q. Did you hold any other role during the time you</p> <p>24 were a manager?</p> <p>25 A. No, not necessarily. I mean, I performed -- I</p>	<p style="text-align: right;">Page 8</p> <p>1 There's no -- there's no rooms, there's no walls. It's</p> <p>2 a completely open room concept.</p> <p>3 Q. Is there a separate charge of \$30 to get into the</p> <p>4 executive room area?</p> <p>5 A. I'm not exactly sure what the price is right now,</p> <p>6 but I believe it's 30 or 35, somewhere in that ballpark.</p> <p>7 Q. And is that something that's collected by the</p> <p>8 club?</p> <p>9 A. The customer pays for that. It is collected by</p> <p>10 the club, yeah, yes.</p> <p>11 Q. The money doesn't go to the dancer or</p> <p>12 entertainer, correct?</p> <p>13 A. No, ma'am, it does not. Actually they get a</p> <p>14 commission back per customer or they were when I was</p> <p>15 working there.</p> <p>16 Q. And I understood that commission back was about</p> <p>17 \$10; is that accurate to you?</p> <p>18 A. I would believe that's correct.</p> <p>19 Q. Now, you said you have other -- either other jobs</p> <p>20 or you work with other businesses; is that accurate?</p> <p>21 A. Yes, ma'am. It is.</p> <p>22 Q. How long has that been true since you've been</p> <p>23 working at Heartbreakers?</p> <p>24 A. Oh, since the day I came to work for them.</p> <p>25 Q. Okay.</p>
<p style="text-align: right;">Page 7</p> <p>1 performed other duties, like, I'd worked the front door,</p> <p>2 JDed, and that sort of thing. But I hadn't had another</p> <p>3 title, no, ma'am.</p> <p>4 Q. Yeah -- and I'll give you an example. Some of</p> <p>5 the other managers, I understand, spend part of their</p> <p>6 time as bartenders and part of their time as managers.</p> <p>7 Did you have a dual role like that while you were a</p> <p>8 manager?</p> <p>9 A. I was the unofficial head of security. My</p> <p>10 previous position with Heartbreakers besides management</p> <p>11 was executive manager and security.</p> <p>12 Q. When were you an executive manager?</p> <p>13 A. Oh, Lord. Probably from 1996 to about 20- and I</p> <p>14 want to say '07.</p> <p>15 Q. And what's the difference between being just a</p> <p>16 regular manager and an executive manager?</p> <p>17 A. I took care of the upstairs. The executive</p> <p>18 lounge --</p> <p>19 Q. So the executive room area?</p> <p>20 A. The executive room areas, ma'am, yes.</p> <p>21 Q. Okay. And I understand the executive room area</p> <p>22 at Heartbreakers is similar to what other clubs might</p> <p>23 call a VIP area?</p> <p>24 A. Absolutely not. The executive lounge at</p> <p>25 Heartbreakers is just an open space that's upstairs.</p>	<p style="text-align: right;">Page 9</p> <p>1 A. I've always -- I'm an independent contractor</p> <p>2 also. I have a small company, and I'm a writer, author,</p> <p>3 artist for a company. And then I manufacture medieval</p> <p>4 armoury for collectors.</p> <p>5 Q. We're definitely coming back to that one. But --</p> <p>6 A. Oh, okay. You want me to wear the helmet?</p> <p>7 Q. Let me start with the -- you said you're an</p> <p>8 independent contractor, who is -- what do you mean</p> <p>9 you're an independent contractor?</p> <p>10 A. I have my own company called Cavalier</p> <p>11 Contracting. Before Amazon and eBay if you were looking</p> <p>12 for a historically affectionate item from your</p> <p>13 childhood, or rare book, or something like that, swords,</p> <p>14 you could come talk to me and I would find them for you.</p> <p>15 My mother was an antique dealer for decades and so we</p> <p>16 were just plugged in to the antique community.</p> <p>17 Q. And this job is that working under like a</p> <p>18 business name?</p> <p>19 A. It's my a/b/a Cavalier Contracting. But to be</p> <p>20 honest with you I hardly ever use it. Heartbreakers'</p> <p>21 kept me too busy for the most part between that and the</p> <p>22 armory.</p> <p>23 Q. And you said you were an author/artist for --</p> <p>24 A. Uh-huh.</p> <p>25 Q. -- is that for a specific company?</p>

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<p style="text-align: right;">Page 10</p> <p>1 A. Yes, ma'am. Cutting Edge Presents and Mental 2 Diversions.</p> <p>3 Q. What kind of companies are those?</p> <p>4 A. Comic Books. We write, draw, and create comic 5 books.</p> <p>6 Q. Is there like a specific line of books that you 7 have?</p> <p>8 A. You could find my work in the Impellers, or in 9 Mental Diversions Nails. Predominately, I do character 10 creation and layout design for them. I'm not that great 11 of an artist but I am very imaginative.</p> <p>12 Q. And how long have you been doing that?</p> <p>13 A. I first started with Terri Wagner under Space 14 City Comics in 19- I want to say probably '92-'93.</p> <p>15 Q. And you still continue doing that till this day?</p> <p>16 A. Yes, ma'am.</p> <p>17 Q. The --</p> <p>18 A. It's been -- it's been sporadic at best. The 19 company's folded for four, five, six years at a time. 20 Yeah, and then pops back up.</p> <p>21 Q. And how often were you working at Heartbreakers? 22 And I'll say in the past like three years, what was your 23 work schedule?</p> <p>24 A. I was normally there Tuesday night, Wednesday 25 Thursday day, Saturday night, and sometimes Sunday or</p>	<p style="text-align: right;">Page 12</p> <p>1 historically accurate armor for combat and display. And 2 so we own the armor museum there at the Renaissance 3 Festival also. So, you know, six weeks out of the year, 4 seven weeks out of the year. And over there taking a 5 couple weeks off -- weekends off work.</p> <p>6 But, I mean, if you're -- if there is a 7 historically accurate suit of armor you want, or a 8 helmet you want, or if there's something from a video 9 game that you love, we can make it.</p> <p>10 Q. And are you an owner in the Azure Armoury?</p> <p>11 A. No, ma'am. But the owner and I have been 12 partners in social group for probably 23 years now. But 13 we're founding members of a social group. To put that 14 correctly.</p> <p>15 Q. Is the social group having to do with the 16 medieval armoury?</p> <p>17 A. Yes, ma'am. We compete in tournaments all over 18 Texas, occasionally Louisiana.</p> <p>19 Q. There's a tournament for medieval armoury?</p> <p>20 A. There's a tournament for medieval combat, sword 21 fighting, shields, spears, hammers.</p> <p>22 Q. And you still compete in that?</p> <p>23 A. Yes, ma'am. I do.</p> <p>24 Q. When's the last time you competed in that?</p> <p>25 A. It's been almost two and a half years. I broke</p>
<p style="text-align: right;">Page 11</p> <p>1 Monday depending on the schedule.</p> <p>2 Q. How often were you working for or with the 3 Cutting Edge or on the comic book creation?</p> <p>4 A. To be honest with you when I worked upstairs I 5 had a lot of time to -- to do both jobs. And when I 6 worked the front door I had downtime where I could work 7 for Cutting Edge. And so probably six years there two 8 or three nights a week.</p> <p>9 Q. And were you doing like -- your work for the 10 comic book is that done like on a laptop or is it more, 11 like, hand drawing?</p> <p>12 A. Let's see, there's hand and laptop. Lots of hand 13 work though. Lots of hand.</p> <p>14 Q. Let's talk about the medieval armoury --</p> <p>15 A. Sure.</p> <p>16 Q. -- I'd like to know what that's about. What -- 17 what?</p> <p>18 A. Have you --</p> <p>19 Q. -- explain what your job is?</p> <p>20 A. Have you ever attended the Texas Renaissance 21 Festival?</p> <p>22 Q. I have not. I've only heard about it.</p> <p>23 A. Okay. So I work with a company called Azure, 24 A-z-u-r-e Armoury, you can look them up on Facebook or 25 you can just, you know, Google them. And we make</p>	<p style="text-align: right;">Page 13</p> <p>1 my hand twice once on January the 16th, 2019, and then 2 again on January the 17th of 2019. I broke it in two 3 places within about 8 hours -- 9 hours of a night. I 4 mean, it's a physically testing, you know, sport. And 5 so I've taken a year and a half off basically to let my 6 hand heal.</p> <p>7 Q. What's your highest level of education?</p> <p>8 A. I have some college. And I worked for the IAP 9 Music Academy out of -- out of -- in the late 80s early 10 90s as a History and English teacher.</p> <p>11 Q. Do you have a --</p> <p>12 A. Yeah. I was --</p> <p>13 Q. -- teaching --</p> <p>14 A. Ma'am?</p> <p>15 Q. Do you have a teaching certificate?</p> <p>16 A. No, ma'am. I do not. I was in -- woefully 17 adequately trained for the job. But it was a ministry 18 that tended to runaway children who were victims of 19 prostitution, child abuse, and stuff like that. And so 20 they did -- we did a lot like in home schooling, you 21 know, we had a lot of workbooks.</p> <p>22 Q. How did you first come to work at Heartbreakers?</p> <p>23 A. Well, I was a -- an able body male the night they 24 opened up I was 19 years of age. I come from Dickinson, 25 you know, so I was there the night they opened. It was</p>

<p style="text-align: right;">Page 14</p> <p>1 a big public affair, you know.</p> <p>2 Q. How -- did you know the owners at that time?</p> <p>3 A. We had met, briefly. At a bar up in Houston.</p> <p>4 But I knew a couple of people who worked there. You</p> <p>5 know, two of the entertainers who were -- who were</p> <p>6 contracted there. They were girls that I'd gone to high</p> <p>7 school with. And they'd ask me to come in and hangout</p> <p>8 with them just to make sure they were safe.</p> <p>9 Q. And so then did they ask you to come work for</p> <p>10 them or did you apply for a job there?</p> <p>11 A. I actually hung out there on a regular basis and</p> <p>12 there were, I wouldn't say issues but, you know, bars</p> <p>13 are bars and since I had friends that worked there</p> <p>14 whenever there was a problem, I would step in and police</p> <p>15 the situation. And Fred Dresser offered me \$100 a night</p> <p>16 to come in four nights a week and do what I was going to</p> <p>17 do any way. Those were his words.</p> <p>18 Q. And who's Fred Dresser?</p> <p>19 A. He, I believe, Fred Dresser was a general manager</p> <p>20 of Heartbreakers many years ago.</p> <p>21 Q. I understand Mr. Forrester is the current general</p> <p>22 manager?</p> <p>23 A. Yes, ma'am. He is.</p> <p>24 Q. And do you know how long he's been a general</p> <p>25 manager Mr. Forrester?</p>	<p style="text-align: right;">Page 16</p> <p>1 A. I had.</p> <p>2 Q. Could you walk me through the process that you</p> <p>3 would do for a new entertainer who was -- who had just</p> <p>4 walked in while you were on duty and said, you know, I'd</p> <p>5 like to perform here, what do I need to do?</p> <p>6 A. Well they -- I would let them know that they</p> <p>7 would have to have a current ID and social security card</p> <p>8 -- valid social security card, or a right-to-work if,</p> <p>9 you know, they were an immigrant or on a work visa. And</p> <p>10 then it would -- it would depend -- it would -- between,</p> <p>11 you know, it would depend. If I -- if I made the</p> <p>12 assertion that I believe that they were an experienced</p> <p>13 entertainer then we just go through the background check</p> <p>14 which is priority one. They have to have a background</p> <p>15 check.</p> <p>16 But if they had never worked in the industry</p> <p>17 before, I would often sit down and talk to them real</p> <p>18 quick about possibly waitressing. Because of what a big</p> <p>19 step in your -- your life that this is to come into the</p> <p>20 entertainment. There's a lot of girls that come to us,</p> <p>21 you know, at 18, 19 years old they've never done it</p> <p>22 before. And unfortunately our society glamorizes it now</p> <p>23 a days. And so a lot of them when they come right out</p> <p>24 of high school they think we'll I'll just get to work in</p> <p>25 the SOB industry and I'll make a lot of money. And so I</p>
<p style="text-align: right;">Page 15</p> <p>1 A. I believe, that he came into the company -- he</p> <p>2 came right after I left the first time. So I would say</p> <p>3 it's probably around the very late 80s. Or, you know,</p> <p>4 probably around '87, '88 is when he first came around --</p> <p>5 I mean, I'm sorry about '90. I couldn't give you an</p> <p>6 exact date, it's been quite a while.</p> <p>7 Q. As a manager at Heartbreakers were you able to</p> <p>8 hire other employees like bartenders or waitresses?</p> <p>9 A. I screened them. Predominantly, George Forrester</p> <p>10 does the hiring. And we would do the -- some</p> <p>11 interviewing. And occasionally I would hire somebody if</p> <p>12 I thought they were just, like, the greatest, you know,</p> <p>13 waitress ever walked in the door. And, I mean, I had</p> <p>14 that ability if I wanted to. A lot of it gets bumped</p> <p>15 upstairs.</p> <p>16 Q. And does it get bumped upstairs to Mr. Forrester?</p> <p>17 A. Yes, ma'am. Especially for a key position like</p> <p>18 bartender.</p> <p>19 Q. What about for new entertainers, did you also</p> <p>20 screen new entertainers that were coming -- asking to</p> <p>21 perform at Heartbreakers?</p> <p>22 A. Yes, ma'am. I have.</p> <p>23 Q. Did you do that recently, and I'll say in the</p> <p>24 last year that you were there, did you screen any new</p> <p>25 entertainers?</p>	<p style="text-align: right;">Page 17</p> <p>1 have a talk to them real quick to make sure they</p> <p>2 understood what they were doing, you know, with their</p> <p>3 lives and give them the opportunity possibly to</p> <p>4 waitress.</p> <p>5 Q. Let me --</p> <p>6 A. Then we would --</p> <p>7 Q. -- let me stop you for a minute --</p> <p>8 A. Sure.</p> <p>9 Q. -- I'll let you finish. But I got a couple of</p> <p>10 questions of some terms.</p> <p>11 A. Sure. Go ahead.</p> <p>12 Q. One of those terms is SOB. Can you explain what</p> <p>13 that is?</p> <p>14 A. I believe, the technical term for an SOB is</p> <p>15 sexually oriented business.</p> <p>16 Q. And if I understand correctly, sexually oriented</p> <p>17 business is like Heartbreakers have some special laws</p> <p>18 and regulations that they have to follow because there</p> <p>19 is nudity or sexually oriented entertainment, is that</p> <p>20 correct?</p> <p>21 A. Yes, ma'am. That is correct.</p> <p>22 Q. So you would counsel if -- if a new entertainer</p> <p>23 came in that had never performed as a dancer,</p> <p>24 entertainer in a gentlemen's club before, you would</p> <p>25 provide some counseling about that step, correct?</p>

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18 to 21

<p style="text-align: right;">Page 18</p> <p>1 A. Yes, ma'am. Undoubtedly.</p> <p>2 Q. Okay. And --</p> <p>3 A. I worked in the industry for a lot of years, you</p> <p>4 know, I have a lot of experience in it.</p> <p>5 Q. Would a -- would someone who had never performed</p> <p>6 as an adult entertainer still be able to perform at</p> <p>7 Heartbreakers?</p> <p>8 A. Of course.</p> <p>9 Q. Is there any requirement of -- of, like, a degree</p> <p>10 or educational background in order to be a dancer or</p> <p>11 entertainer?</p> <p>12 A. No, ma'am. There is not.</p> <p>13 Q. Do -- if someone has experience, do they have to</p> <p>14 go through, like, an audition or show you their</p> <p>15 performance?</p> <p>16 A. Heartbreakers does not require an audition.</p> <p>17 Q. Okay. And then --</p> <p>18 A. That would be highly frowned upon, ma'am. If a</p> <p>19 manager was to engage in that -- that it be highly</p> <p>20 frowned upon.</p> <p>21 Q. Is there -- if she passed the background check</p> <p>22 and went through the -- do you perform the background</p> <p>23 check?</p> <p>24 A. Yes, ma'am. I do.</p> <p>25 Q. Let's --</p>	<p style="text-align: right;">Page 20</p> <p>1 Q. So all of the dancers or entertainers that you're</p> <p>2 aware of signed or engaged at Heartbreakers under the</p> <p>3 independent contract or agreement; is that a fair</p> <p>4 statement?</p> <p>5 A. To my knowledge, yes, ma'am, it is.</p> <p>6 Q. And is it also true that each of the entertainers</p> <p>7 when they choose to perform at Heartbreakers they are</p> <p>8 also to pay a house or floor fee upon checkout?</p> <p>9 A. Yes, ma'am. There is -- there is a set fee for</p> <p>10 set times that you work.</p> <p>11 Q. And that fee increases, I understand, the later</p> <p>12 the entertainer comes or is ready to perform in the</p> <p>13 evening; is that accurate?</p> <p>14 A. Yes. It increases by what time you do come in,</p> <p>15 yes, ma'am.</p> <p>16 Q. And who keeps track of what -- what floor fee is</p> <p>17 owed by what entertainer?</p> <p>18 A. There's a cashier that works in the back booth.</p> <p>19 The entertainer checks in with the DJ when they're ready</p> <p>20 for work and it's logged in by the cashier.</p> <p>21 Q. Does the DJ then put the entertainer on a</p> <p>22 rotation of the stage performances?</p> <p>23 A. Yes, ma'am.</p> <p>24 Q. Is that generally a part of the work that the</p> <p>25 entertainer performs at the club, meaning that the</p>
<p style="text-align: right;">Page 19</p> <p>1 A. I can. I can, yeah.</p> <p>2 Q. Let's assume that you did it for this particular</p> <p>3 entertainer, would you then have -- go through the -- I</p> <p>4 understand there's some paperwork that they need to</p> <p>5 sign. Do you go through the paperwork with the</p> <p>6 entertainer as well?</p> <p>7 A. Yes, ma'am. The standard procedure is to do the</p> <p>8 ID check, and then the background check, and then to</p> <p>9 offer them a choice between being a full-time employee</p> <p>10 or becoming an independent contractor. Which I have</p> <p>11 dual copies of both contracts that they're welcome to</p> <p>12 read at that time period. And we do explain it to them</p> <p>13 that you'd be put on schedule, et cetera.</p> <p>14 Q. What do you explain to them about the difference</p> <p>15 between the contracts?</p> <p>16 A. So the -- primarily that the difference is, is</p> <p>17 that an independent contractor you work the hours you</p> <p>18 want to work, you set your own schedule, and you keep</p> <p>19 your tips after paying a house fee of, you know, the</p> <p>20 time slot in which you're working.</p> <p>21 Q. And what's different about the employee?</p> <p>22 A. An employee gets set on minimum wage, and has to</p> <p>23 work a set standard amount of hours, and they have to</p> <p>24 turn their tips into the club. I have literally never</p> <p>25 had anyone ask to be an employee.</p>	<p style="text-align: right;">Page 21</p> <p>1 entertainer would be performing on the stage?</p> <p>2 A. Yes.</p> <p>3 Q. And I understand in the main room area there is</p> <p>4 three -- three different stages?</p> <p>5 A. Yes, there is. And one in the backside.</p> <p>6 Q. Is that -- okay. When you say the backside is</p> <p>7 that the pool area -- the pool table --</p> <p>8 A. Yes, ma'am, the club side. The club side is what</p> <p>9 we refer to it as.</p> <p>10 Q. There's one stage on the club side and three</p> <p>11 stages on the other side?</p> <p>12 A. Yes, ma'am.</p> <p>13 Q. Okay.</p> <p>14 A. And very seldom except for on a weekend night are</p> <p>15 all four of those stages on rotation.</p> <p>16 Q. Are there like spotlights or special lights for</p> <p>17 the -- for -- like, put on the entertainers while their</p> <p>18 performing on the stage?</p> <p>19 A. Yes, ma'am. We have -- we have a light system,</p> <p>20 yeah.</p> <p>21 Q. Who controls that --</p> <p>22 A. There's nothing that specifically is designed to</p> <p>23 follow them or the DJ don't follow them, but we do have</p> <p>24 a light show, preprogramed light show.</p> <p>25 Q. Okay. Does the JD program that light show?</p>

<p style="text-align: right;">Page 22</p> <p>1 A. They came with the computer, but he keeps -- he</p> <p>2 keeps track of it. He changes it now on a regular basis</p> <p>3 it's got, like, I don't know 16-17 programs that are</p> <p>4 presets, you know.</p> <p>5 Q. And it would, I guess, enhance or follow the</p> <p>6 performer while she's performing on stage?</p> <p>7 A. Not technically, no. It's just a -- an ambience</p> <p>8 light system. It doesn't follow her.</p> <p>9 Q. Is the light system focused on the stage area or</p> <p>10 is it also on the customer area.</p> <p>11 A. Oh, on the whole -- the whole club, yeah.</p> <p>12 Q. Do you know if the entertainers are allowed to</p> <p>13 pick the music they performed to?</p> <p>14 A. Yes, ma'am, they are. To a certain degree. We</p> <p>15 -- we, like -- I don't know the best way to put that.</p> <p>16 We try to stay away from -- from, like, gangster rap</p> <p>17 music. You know, just to keep the ambience of the club</p> <p>18 at a regular pace.</p> <p>19 Q. I'm going to show you an exhibit here. Give me</p> <p>20 just a second.</p> <p>21 A. Sure.</p> <p>22 Q. I'm going to mark this as Exhibit 1 and send it</p> <p>23 to our opposing counsel and our court reporter in a chat</p> <p>24 in a minute.</p> <p>25 (Exhibit 1 marked.)</p>	<p style="text-align: right;">Page 24</p> <p>1 borrowed picture so --</p> <p>2 A. I believe that is correct.</p> <p>3 Q. This is a fair and accurate depiction of the</p> <p>4 interior of the Heartbreakers' stages?</p> <p>5 A. Yes, ma'am.</p> <p>6 Q. Let's scroll up a little bit. There it looks</p> <p>7 like there's -- I don't know if I can make this bigger</p> <p>8 or not. I'll see if I can. Okay. I can't. Any way.</p> <p>9 I noticed just scrolling down on some of these Facebook</p> <p>10 pictures that there's a lot of happy hour listings.</p> <p>11 While you were working there was there a happy hour?</p> <p>12 A. Yes, ma'am.</p> <p>13 Q. And it looks like it's, I guess, in the earlier</p> <p>14 hours in the evening?</p> <p>15 A. Yes, ma'am. We usually end happy hour sometime</p> <p>16 between 7 and 9.</p> <p>17 Q. Okay. And is that a time where patrons can buy</p> <p>18 discounted drinks?</p> <p>19 A. Yes.</p> <p>20 Q. The proceeds of alcohol sales are those proceeds</p> <p>21 given to the club?</p> <p>22 A. Yes, ma'am, they are.</p> <p>23 Q. And the same goes for food sales. If any food is</p> <p>24 sold to a patron in the club, that's a proceed that the</p> <p>25 club would keep, right?</p>
<p style="text-align: right;">Page 23</p> <p>1 A. (BY MS. MONTGOMERY) I'm having a horrible time</p> <p>2 seeing that, just so you know.</p> <p>3 Q. Well, I'll see if I can make it a little bit</p> <p>4 bigger.</p> <p>5 A. I'm on a cell phone so.</p> <p>6 Q. I'm only going to ask a couple of questions about</p> <p>7 the picture. Can you see that picture at the top?</p> <p>8 A. Vaguely, but go ahead. We'll see -- we'll try to</p> <p>9 work around each other.</p> <p>10 Q. Well, I'm trying to see -- confirm with you if</p> <p>11 that -- if that shows the picture of the interior of</p> <p>12 Heartbreakers club, where the stages are?</p> <p>13 A. Forgive me for a second, alright?</p> <p>14 Q. Sure.</p> <p>15 A. I believe so.</p> <p>16 Q. Okay.</p> <p>17 A. That --</p> <p>18 Q. And I'll represent to you, I pulled this -- this</p> <p>19 page off of Facebook. It said it was Heartbreakers Bar</p> <p>20 in Dickinson, Texas.</p> <p>21 Do you know of any other gentlemen's club or any</p> <p>22 bar in Dickinson, Texas called Heartbreakers?</p> <p>23 A. None that I'm aware of, ma'am.</p> <p>24 Q. And I -- I wasn't sure until you confirmed for me</p> <p>25 if this was a picture of the actual club or just some</p>	<p style="text-align: right;">Page 25</p> <p>1 A. That's correct.</p> <p>2 Q. That's not something that would go to any of the</p> <p>3 entertainers, correct?</p> <p>4 A. No. Not at all.</p> <p>5 Q. Do you know if -- who are the owners of</p> <p>6 Heartbreakers?</p> <p>7 A. Mike Armstrong and Peggy Armstrong Debrice</p> <p>8 (phonetic).</p> <p>9 Q. And as far as you're aware, does anyone else own</p> <p>10 a portion of Heartbreakers?</p> <p>11 A. Not that I'm aware of.</p> <p>12 Q. Do you know if they own the building?</p> <p>13 A. I believe they do.</p> <p>14 Q. And so are they -- they, the owners and the club</p> <p>15 responsible for maintaining the building?</p> <p>16 A. Yes.</p> <p>17 Q. As a manager who worked at the club, did you have</p> <p>18 to participate in any of that maintenance?</p> <p>19 A. Not anything electrical or anything along or</p> <p>20 plumbing-wise. But I would keep my eye open for</p> <p>21 anything going, you know, that needed to be fixed in the</p> <p>22 club. I mean, I put plenty of labor in there. But</p> <p>23 nothing technical.</p> <p>24 Q. They would hire someone else to do that, right?</p> <p>25 A. Yes, ma'am. Well, they have a maintenance crew.</p>

<p style="text-align: right;">Page 26</p> <p>1 Q. And did they have a crew that also is responsible</p> <p>2 for cleaning the interior of the club?</p> <p>3 A. Yes, ma'am.</p> <p>4 Q. It's not something that the entertainer would</p> <p>5 have to do, right?</p> <p>6 A. Oh, no, ma'am.</p> <p>7 Q. Does the club have -- the club maintain -- I'm</p> <p>8 looking at this picture here again in Exhibit 1. Club</p> <p>9 maintain any chairs and tables for the patrons to sit in</p> <p>10 to view the stage area?</p> <p>11 A. Yes.</p> <p>12 Q. And in the executive room is there also, like,</p> <p>13 specialized furniture or something that's different than</p> <p>14 what's on the main --</p> <p>15 A. No, ma'am. There's just couches and tables,</p> <p>16 that's it.</p> <p>17 Q. And those are maintained by the club as well?</p> <p>18 A. Yes, ma'am, they are.</p> <p>19 Q. And I see that there's poles on -- on the various</p> <p>20 stages I'm looking at in Exhibit 1. Is that -- are</p> <p>21 those poles available for the entertainer's performance</p> <p>22 use?</p> <p>23 A. They are.</p> <p>24 Q. Is there any direction given to the entertainers</p> <p>25 about performance on stage? And I'll give you an</p>	<p style="text-align: right;">Page 28</p> <p>1 A. I believe, it's -- it's a violation of vice.</p> <p>2 We've never had an incident where we've gotten in</p> <p>3 trouble for it, so I don't -- I'm not sure. To be -- to</p> <p>4 be honest with you I can't give you an honest answer</p> <p>5 whether or not there would be, I assume there would be.</p> <p>6 Q. Is there a boutique that sells entertainment</p> <p>7 wear, so to speak, inside Heartbreakers?</p> <p>8 A. Yes, ma'am, there is.</p> <p>9 Q. And I understand that that space is leased or run</p> <p>10 by someone other than Mike and Peggy Armstrong?</p> <p>11 A. It is.</p> <p>12 Q. Do you know who currently runs it?</p> <p>13 A. I believe, Mellow Louis (phonetic) was running it</p> <p>14 last time I was there.</p> <p>15 Q. Do you know --</p> <p>16 A. I believe -- I believe she stepped away from it</p> <p>17 since then, I'm not sure.</p> <p>18 Q. Do you know is that space, where the boutique is,</p> <p>19 is that leased from Heartbreakers?</p> <p>20 A. I couldn't tell you.</p> <p>21 Q. There is a -- is there a cover charge to enter</p> <p>22 Heartbreakers?</p> <p>23 A. Yes, ma'am. There is.</p> <p>24 Q. Is that \$9?</p> <p>25 A. I believe, it's currently \$9.</p>
<p style="text-align: right;">Page 27</p> <p>1 example, what I'm asking about. There's some, you know,</p> <p>2 some clubs that would require an entertainer to be</p> <p>3 topless at certain points of her stage performance, or</p> <p>4 that she be required to wear close-toed shoes. Is there</p> <p>5 anything like that, that any -- any rules about that</p> <p>6 performance that Heartbreakers would provide to the</p> <p>7 entertainers?</p> <p>8 A. The standard -- the only -- the only dress code</p> <p>9 rule there is, is the two ply G-string rule which is</p> <p>10 required by state law. You know, after that they're --</p> <p>11 they're free to dance how they want to and how to --</p> <p>12 what do you call it, how to dress how they want to.</p> <p>13 Q. I understand that there's also some laws about</p> <p>14 touching or contact, is that correct?</p> <p>15 A. Yes, ma'am. They're not supposed to make contact</p> <p>16 with the customer.</p> <p>17 Q. If you, as a manager, saw an entertainer doing a</p> <p>18 performance in which she was violating that rule or law</p> <p>19 about contact, would you interfere?</p> <p>20 A. I would remind them of the law, I mean, I can't</p> <p>21 penalize her for it or anything along those lines. But</p> <p>22 I might walk by and remind her; "Hey, you know, Texas</p> <p>23 State Law says no contact, ma'am."</p> <p>24 Q. Do you know if the club -- club gets in trouble</p> <p>25 if the entertainer is violating that law?</p>	<p style="text-align: right;">Page 29</p> <p>1 Q. Is there also some guidance or preference on what</p> <p>2 customers, how they look or are dressed when they enter?</p> <p>3 A. We have a sleeve rule after 7 o'clock. We would</p> <p>4 prefer that you're clean and neat, like, if you're a</p> <p>5 painter or landscaper -- oh, no. Decline. I'm sorry.</p> <p>6 Q. Okay.</p> <p>7 A. Okay. Yeah, if you were like a painter or</p> <p>8 landscaper that you don't come directly from work. Of</p> <p>9 course, you know, no one who is intoxicated. And</p> <p>10 checking all the IDs at the front door. But outside of</p> <p>11 that, no. No gender preference, no ethnic, nothing</p> <p>12 along those lines. So no social order.</p> <p>13 Q. And the -- is it the door person or the -- the</p> <p>14 door person would be responsible for, I guess,</p> <p>15 screening, so to speak, the customers that are entering</p> <p>16 the club?</p> <p>17 A. Yes, ma'am.</p> <p>18 Q. And, I think, you said you worked as a floor</p> <p>19 person before, right?</p> <p>20 A. For a number of years I did, yes.</p> <p>21 Q. Do they count the number of people that are</p> <p>22 coming in or are leaving the club?</p> <p>23 A. Yes.</p> <p>24 Q. So they would know, they being the club, would</p> <p>25 know at any point in time how many patrons are inside</p>

<p style="text-align: right;">Page 30</p> <p>1 the club?</p> <p>2 A. We would have a general idea. I mean, it wasn't</p> <p>3 something that we -- we do keep track of that. Not only</p> <p>4 did the doorman keep track, but the DJ kept track also,</p> <p>5 or clickers. Just so we can get an idea, you know, how</p> <p>6 many people are walking through.</p> <p>7 Q. Is that something that was tracked, meaning,</p> <p>8 like, at the end of the night they would write down how</p> <p>9 many people came through the club?</p> <p>10 A. I believe so, yes.</p> <p>11 Q. Does the door person have a cash register or</p> <p>12 computer of some sort where they log or keep the cover</p> <p>13 charges, and number of people that are entering/exiting?</p> <p>14 A. They have a register.</p> <p>15 Q. As a manager of the club, at the end of the night</p> <p>16 are you responsible for collecting the money that's in</p> <p>17 the registers?</p> <p>18 A. Yes, ma'am. At 1:30 we go to the front door and</p> <p>19 we collect -- we collect.</p> <p>20 Q. And would -- at 1:30 would that be when the club</p> <p>21 would say no more people can come in to the club?</p> <p>22 A. No, ma'am. We just quit charging a cover charge.</p> <p>23 And we do leave someone at the door until we close at</p> <p>24 2 o'clock.</p> <p>25 Q. And would you collect that -- as the manager,</p>	<p style="text-align: right;">Page 32</p> <p>1 tips but predominantly, no.</p> <p>2 Q. And is there anyone else, other than the</p> <p>3 bartenders, if there's more than one working together</p> <p>4 that would share tips at the club?</p> <p>5 A. No.</p> <p>6 Q. When you --</p> <p>7 A. I mean, occasionally, like, as a manager if a</p> <p>8 customer was going to tip me 50 bucks or something like</p> <p>9 that or 40 bucks just because they're feeling generous</p> <p>10 that night which wasn't very often, I would share with</p> <p>11 the manager on duty because we're both working. Yeah.</p> <p>12 But nothing collected.</p> <p>13 Q. So if you were -- I think, you just said if you</p> <p>14 were working, like, the executive room as a manager --</p> <p>15 A. No, just as a floor manager.</p> <p>16 Q. What's the manager between a floor manager and a</p> <p>17 manager on duty?</p> <p>18 A. It's the same thing.</p> <p>19 Q. When you were working as a manager at</p> <p>20 Heartbreakers was there another manager that was working</p> <p>21 with you?</p> <p>22 A. On one of my shifts, yeah. Friday and Saturday</p> <p>23 nights normally, yes, there's two managers. Outside of</p> <p>24 that is predominantly single manager shift.</p> <p>25 Q. And if there are two managers working do you,</p>
<p style="text-align: right;">Page 31</p> <p>1 would you be responsible for collecting the money at the</p> <p>2 other registers like; the bartenders' registers, or the</p> <p>3 executive room register?</p> <p>4 A. Yes, ma'am. We do checkout at the end of the</p> <p>5 night.</p> <p>6 Q. And as the manager, is there -- do you have to</p> <p>7 count or tally the money --</p> <p>8 A. Yes, ma'am.</p> <p>9 Q. Or do you just count --</p> <p>10 A. Yes, ma'am. I wasn't -- as a manager, I was in</p> <p>11 charge of verifying the amount in all banks at the end</p> <p>12 of the night for employees, cashier, front door,</p> <p>13 executive lounge, bartenders, waitresses.</p> <p>14 Q. If somebody was tipping the bartenders, for</p> <p>15 example, would that money be part of the tally or</p> <p>16 collection that you did at the end of the night as a</p> <p>17 manager?</p> <p>18 A. No, ma'am. That's the bartender's money.</p> <p>19 Q. Do the bartenders share the tips, like, usually</p> <p>20 there's a tip jar, you know, at the --</p> <p>21 A. Yeah. When they work together they do.</p> <p>22 Q. Do the waitresses have a similar tip sharing</p> <p>23 situation?</p> <p>24 A. No, ma'am. I don't believe they do. I mean, I'm</p> <p>25 sure some of them work together, you know, and split</p>	<p style="text-align: right;">Page 33</p> <p>1 like, split up the duties or responsibilities?</p> <p>2 A. Yes, ma'am, we do.</p> <p>3 Q. And how would you split that up?</p> <p>4 A. It would just depend. Sometimes one of the</p> <p>5 managers would do checkout and the other manager would</p> <p>6 do closing. Such as at the end of the night making sure</p> <p>7 all the customers are sober and have a ride home. And</p> <p>8 then escorting the entertainers to their vehicles at the</p> <p>9 end of the night.</p> <p>10 Q. Do the entertainers have to checkout with a</p> <p>11 manager at the end of the night?</p> <p>12 A. Yes, and no. I mean, there's the big</p> <p>13 predominantly, yes. But if it's at the end of the night</p> <p>14 you're not on rotation, you're not going back up on</p> <p>15 stage, or anything along those lines, mostly not.</p> <p>16 Q. What's the checkout, I guess, procedure for an</p> <p>17 entertainer? If she's done performing for the evening</p> <p>18 what does she have to do?</p> <p>19 A. She just goes to the cashier and lets them know</p> <p>20 that she'll be leaving.</p> <p>21 Q. As far as you're aware other than exchanging,</p> <p>22 what I've been told are dance dollars for cash, does the</p> <p>23 club pay any money to the entertainers?</p> <p>24 A. Except for like the \$35, if we're doing, like, a</p> <p>25 -- yeah, not that I'm aware of. No.</p>

<p style="text-align: right;">Page 34</p> <p>1 Q. What's the \$35 --</p> <p>2 A. Like if they go upstairs to the executive they</p> <p>3 get the \$5 or \$10 back per customer. Outside of that,</p> <p>4 not that I'm aware of.</p> <p>5 Q. So other than the commission from the executive</p> <p>6 room, I guess, I'll call it --</p> <p>7 A. I believe, we've done some wine bottle, champagne</p> <p>8 promotion over the years. If you sell a bottle you get,</p> <p>9 you know, \$20 or whatever, but outside of that, no,</p> <p>10 ma'am.</p> <p>11 Q. So the -- in that scenario it would just be a</p> <p>12 special promotion by the club --</p> <p>13 A. Yes, ma'am.</p> <p>14 Q. -- to incentivize sales of alcohol, right?</p> <p>15 A. Yes.</p> <p>16 Q. And then -- so do the entertainers assist or help</p> <p>17 the club in those alcohol sales?</p> <p>18 MR. KING: Objection; form.</p> <p>19 A. Predominantly, no.</p> <p>20 Q. And the instance that you were talking about it</p> <p>21 would be an incentive to assist, right?</p> <p>22 MR. KING: Objection --</p> <p>23 MS. MONTGOMERY: You can answer.</p> <p>24 WITNESS: Sure.</p> <p>25 MR. KING: Go ahead. I just had to get my</p>	<p style="text-align: right;">Page 36</p> <p>1 Q. So let me make sure I understand. The general</p> <p>2 policy is that in order to perform at Heartbreakers an</p> <p>3 entertainer would have to pay a floor fee, right?</p> <p>4 A. Not necessarily, I mean they -- they come -- you</p> <p>5 can never guarantee that the floor fee will be paid.</p> <p>6 You just can't because sometimes things happen.</p> <p>7 Sometimes somebody comes to work and shift and their</p> <p>8 child gets sick or something happens and they have to go</p> <p>9 home and at those points we completely waive the fee.</p> <p>10 Q. Right. I'm guessing what -- what I'm getting at</p> <p>11 is that the policy is that you pay the fee but on</p> <p>12 occasion the managers would waive that fee depending on</p> <p>13 the circumstances, right?</p> <p>14 A. Yes, ma'am. The policy is per independent</p> <p>15 contract, you pay to work those shifts.</p> <p>16 Q. And does any manager have the right to waive the</p> <p>17 floor fees for the entertainer?</p> <p>18 A. Yes, ma'am.</p> <p>19 Q. Does anyone else have the right to waive the</p> <p>20 floor fee for the entertainer?</p> <p>21 A. No, ma'am.</p> <p>22 Q. Like the cashier couldn't waive the floor fee for</p> <p>23 the entertainer?</p> <p>24 A. She could suggest it to us. I mean, if she's</p> <p>25 aware of a situation that we're unaware of. Which is a</p>
<p style="text-align: right;">Page 35</p> <p>1 objection on the record.</p> <p>2 A. Okay. Ms. Montgomery, would you repeat the</p> <p>3 question please.</p> <p>4 Q. (BY MS. MONTGOMERY) Sure. In the instance that</p> <p>5 you described the promotion of, you know, you get so</p> <p>6 much dollars for assisting in sales of alcohol or</p> <p>7 bottles of alcohol. That would be -- incentivize the</p> <p>8 entertainers to assist with alcohol sales, right?</p> <p>9 A. Yes. But I will tell you this, we only did it</p> <p>10 about twice and it didn't work, so.</p> <p>11 Q. In the executive room area is there any sort of</p> <p>12 alcohol beverage minimum?</p> <p>13 A. No, ma'am.</p> <p>14 Q. Are the floor fees negotiable by the</p> <p>15 entertainers?</p> <p>16 A. Yes, ma'am. They are as a matter of fact.</p> <p>17 Q. Okay. Explain how?</p> <p>18 A. In the event that I have a slow day like on a</p> <p>19 Sunday or a Monday or if there was a financial</p> <p>20 discretion between an entertainer and her customer, and</p> <p>21 she lost money and so, you know, to help her out on</p> <p>22 occasions we would waive the floor fees.</p> <p>23 Q. Is that something that's within the manager's</p> <p>24 discretion to waive the floor fees?</p> <p>25 A. Yes, ma'am, it is. Based on the incident, yeah.</p>	<p style="text-align: right;">Page 37</p> <p>1 very common practice, you know, something -- so and so</p> <p>2 wants to go home early because their child is not</p> <p>3 feeling good or their ride is leaving or whatever. And</p> <p>4 they didn't make any money, you know, that evening then</p> <p>5 we would -- if it was a bad night we would just waive</p> <p>6 it.</p> <p>7 Q. So the cashier would talk to the manager about</p> <p>8 it?</p> <p>9 A. Yes, ma'am.</p> <p>10 Q. Is there an amount suggested by the club to</p> <p>11 charge per dance fee?</p> <p>12 A. No.</p> <p>13 Q. That's not something that you would discuss in,</p> <p>14 like, I guess orienting a new entertainer to work at --</p> <p>15 to her performance at Heartbreakers?</p> <p>16 A. I mean, they set their own fees.</p> <p>17 Q. There's no amount suggested?</p> <p>18 A. No. It's commonly known that the industry</p> <p>19 standard is \$20, but we don't suggest that.</p> <p>20 Q. Is that discussed at all with an entertainer?</p> <p>21 A. No. They -- they set their own parameters.</p> <p>22 Q. I understand that there is a booth that patrons</p> <p>23 entertainers can use as well. Am I saying that</p> <p>24 correctly?</p> <p>25 A. I'm not sure what you're referring to.</p>

<p style="text-align: right;">Page 38</p> <p>1 Q. Well, I understand that there's the main floor</p> <p>2 area, that there's an executive room area, and then</p> <p>3 there's these booths?</p> <p>4 A. Oh, yeah. Yeah. Yeah.</p> <p>5 Q. And do they have to pay a charge to use the</p> <p>6 booths?</p> <p>7 A. They do.</p> <p>8 Q. Is it the entertainer that has to pay the charge</p> <p>9 or customer or both?</p> <p>10 A. Predominantly the customer pays for it. Usually</p> <p>11 I would -- usually when an entertainer goes to the booth</p> <p>12 that's already been pre-negotiated before they ever go</p> <p>13 over there.</p> <p>14 Q. And, I'm guessing the club keeps the money for</p> <p>15 the booth?</p> <p>16 A. I'm not sure where that money goes. It gets</p> <p>17 turned in at the end of the night.</p> <p>18 Q. Did -- do you know how much it is for a booth?</p> <p>19 A. I believe, it's 35, I believe.</p> <p>20 Q. Are the booths downstairs or upstairs?</p> <p>21 A. Downstairs.</p> <p>22 Q. Is it customary for the entertainers to tip the</p> <p>23 other staff at the club?</p> <p>24 A. It's not customary, but they do tend to tip on</p> <p>25 occasions.</p>	<p style="text-align: right;">Page 40</p> <p>1 guess, is what I'm asking?</p> <p>2 A. No, ma'am.</p> <p>3 Q. Did anyone provide you with training on being a</p> <p>4 manager?</p> <p>5 A. Oh, yes.</p> <p>6 Q. When did they provide you that?</p> <p>7 A. Constantly. I was -- I was groomed for</p> <p>8 management for years. This industry is really strange,</p> <p>9 managers, a lot of times don't -- they work for 10, 15,</p> <p>10 16 years. So even when I was working executive security</p> <p>11 upstairs, there was constant grooming for a potential</p> <p>12 manager position.</p> <p>13 Q. Let me ask you this; what was the security</p> <p>14 position that you had? What did you have to do as a</p> <p>15 security?</p> <p>16 A. Just provide a safe workplace for the</p> <p>17 entertainers and customers.</p> <p>18 Q. What would you do exactly?</p> <p>19 A. Keep an eye out for intoxication. Any type of</p> <p>20 drug abuse, other people selling or trying to distribute</p> <p>21 drugs on the premises, which of course in any nightclub</p> <p>22 is definitely problem. We've had some pretty serious</p> <p>23 moments there over the years, you know. People get a</p> <p>24 little worked up on occasion. I've been hit, I've been</p> <p>25 stabbed, I've been shot at. Yeah. It can be a very</p>
<p style="text-align: right;">Page 39</p> <p>1 Q. Are there any particular staff that the</p> <p>2 entertainers tip more than others?</p> <p>3 A. No, not really. I mean, predominantly, not to</p> <p>4 talk bad about them, but entertainers are not -- are not</p> <p>5 well tippers. They're not very generous.</p> <p>6 Plus, like, I personally don't like to take the</p> <p>7 money from them because I feel like I can't be objective</p> <p>8 in the way I do my job. I think it's bad form in a lot</p> <p>9 of ways. If a customer wants to tip me occasionally,</p> <p>10 I'll take it depending on the customer. But from the</p> <p>11 entertainer I just -- I don't feel right taking their</p> <p>12 money. I don't. They work hard for it.</p> <p>13 Q. To begin your work at -- at Heartbreakers, did</p> <p>14 you have to sign a contract?</p> <p>15 A. Yes, ma'am.</p> <p>16 Q. Were you given an option between being an</p> <p>17 independent contractor and employee?</p> <p>18 A. I don't recall. It's been so long ago. To be</p> <p>19 honest with you, I don't recall.</p> <p>20 Q. Have you had to sign anything since you first</p> <p>21 started work?</p> <p>22 A. We have to do the every-six-months background</p> <p>23 checkups, and stuff like that. Where they renew all of</p> <p>24 our information and stuff.</p> <p>25 Q. But you haven't had to sign any new contract, I</p>	<p style="text-align: right;">Page 41</p> <p>1 trying position on occasion.</p> <p>2 Q. And that's by the customers?</p> <p>3 A. Yes, ma'am. Well, I've been -- been attacked by</p> <p>4 an entertainer also.</p> <p>5 Q. When a entertainer is performing on stage and a</p> <p>6 customers wants to tip her, how do they tip her?</p> <p>7 A. They go to the stage and hand them money or put</p> <p>8 money -- traditionally, you're supposed to put money on</p> <p>9 the stage.</p> <p>10 Q. Okay. Is any of that money ever touched or</p> <p>11 gathered by staff of the club?</p> <p>12 A. No, ma'am. Only -- the only time that would</p> <p>13 happen would be at the behest of the entertainer. If</p> <p>14 somebody had come and thrown, like, \$200 in ones on</p> <p>15 stage and she's asking, hey, can you get me a bucket,</p> <p>16 throw this in a bucket for me. Or something along those</p> <p>17 lines. But, no, outside of that we never touch it.</p> <p>18 Q. And your -- what are some of the ways that you</p> <p>19 were groomed for the management role? Can you give me</p> <p>20 some examples?</p> <p>21 A. Just trained on how to keep an eye out for public</p> <p>22 intoxication. Or people's aggressive levels escalating,</p> <p>23 you know. How to -- how to order the liquor sales and</p> <p>24 stuff like that. How to go back and do the inventory,</p> <p>25 et cetera.</p>

<p style="text-align: right;">Page 42</p> <p>1 Q. Is that one of the roles or responsibility of the</p> <p>2 managers in the club to order the alcohol?</p> <p>3 A. We do inventory. We do a monthly inventory and</p> <p>4 we do a list of liquor -- I'm sorry. Of our liquor</p> <p>5 cabinet which is -- which goes through Whitey Forrester</p> <p>6 to be approved and then it's ordered through Specs.</p> <p>7 Q. Mr. Forrester actually places the order?</p> <p>8 A. Sometimes he places the order.</p> <p>9 Q. Do you also -- are you also responsible as a</p> <p>10 manager for ordering food?</p> <p>11 A. No, ma'am. That would be the kitchen manager's</p> <p>12 position. Although, I am a trained food handler, it's</p> <p>13 not -- it doesn't fall under our duties.</p> <p>14 Q. Were you ever trained on the Fair Labor Standards</p> <p>15 Act?</p> <p>16 A. I believe, we took a class on that a while back.</p> <p>17 Q. How far back was the class?</p> <p>18 A. Been a while. If memory recalls, a couple of</p> <p>19 years.</p> <p>20 Q. And what kind of class was it? Like in person?</p> <p>21 A. Just, I think, we had a meeting and we had a</p> <p>22 brochure that came through that we had to read and go</p> <p>23 through and read. I guess, I can't quite recall on that</p> <p>24 one. But we -- we have Fair Labor Act posters posted</p> <p>25 everywhere. Everything required by state as far as</p>	<p style="text-align: right;">Page 44</p> <p>1 A. Not -- not. No. There was one incident years</p> <p>2 ago where I asked for a girl's ID and another guy --</p> <p>3 girl had -- had her ID -- identification. And I asked,</p> <p>4 like, ma'am, why do you have this young lady's</p> <p>5 identification and they immediately both walked out the</p> <p>6 building. And left the premises before I could get a</p> <p>7 copy of the driver's -- the license plate of the vehicle</p> <p>8 they were on.</p> <p>9 Q. So you suspected that she could be involved in</p> <p>10 human trafficking?</p> <p>11 A. Probable -- probably. But in our premises, no,</p> <p>12 ma'am, I haven't ran across that.</p> <p>13 Q. Have you -- are you aware of any prior lawsuits</p> <p>14 against Heartbreakers by former entertainers?</p> <p>15 A. I believe, there was a lawsuit a while back about</p> <p>16 -- maybe it's still be the same lawsuit from a few years</p> <p>17 ago. Yeah. It was for, I don't remember Frankie's last</p> <p>18 name.</p> <p>19 Q. Henderson.</p> <p>20 A. Henderson there you go. Yeah.</p> <p>21 Q. And --</p> <p>22 A. But that's the only one that I'm really aware of.</p> <p>23 Q. What do you know about Ms. Henderson's case?</p> <p>24 A. Very little. I know, she has sued several other</p> <p>25 clubs, you know. I've known her for years off and on.</p>
<p style="text-align: right;">Page 43</p> <p>1 sexual abuse, fair labor, fair wages, yeah.</p> <p>2 Q. Where is that posted?</p> <p>3 A. In direct view in almost every bathroom, hallway,</p> <p>4 and in the dressing rooms.</p> <p>5 Q. The dressing rooms where the entertainers are?</p> <p>6 A. Yes, ma'am. Especially the human trafficking, et</p> <p>7 cetera ones, which we've attended classes for that also.</p> <p>8 Q. Are the classes at the club or are they somewhere</p> <p>9 else?</p> <p>10 A. No, ma'am. State required that we go and take a</p> <p>11 class two or three years ago, I believe it was on human</p> <p>12 trafficking. So we went up to Houston -- north side of</p> <p>13 Houston.</p> <p>14 Q. Did they tell you what -- what things to lookout</p> <p>15 for to prevent human trafficking?</p> <p>16 A. Yes, ma'am.</p> <p>17 Q. What things did they tell you to lookout for?</p> <p>18 A. Another person answering all the questions, or</p> <p>19 having possession of another person's ID, someone who</p> <p>20 looks a little young, how to look for false</p> <p>21 identification.</p> <p>22 Q. Have you found any instances or have any</p> <p>23 instances where you believe or suspected human</p> <p>24 trafficking victims were attempting to work at</p> <p>25 Heartbreakers?</p>	<p style="text-align: right;">Page 45</p> <p>1 We have a professional relationship.</p> <p>2 Q. Do you know anything else about the lawsuit?</p> <p>3 A. No, ma'am. I do not.</p> <p>4 Q. Did you have to provide any testimony like you're</p> <p>5 providing today in that -- Ms. Henderson's lawsuit?</p> <p>6 A. No, I did not.</p> <p>7 Q. In any --</p> <p>8 A. You're my first.</p> <p>9 Q. In any lawsuits against Heartbreakers whether it</p> <p>10 was by a former entertainer or not, have you had to</p> <p>11 provide any testimony whether in trial or deposition?</p> <p>12 A. About eight years ago a customer punched one of</p> <p>13 my waitresses. Just walked up to her and asked her; "Do</p> <p>14 you love me," and she goes; "I don't know you," and he</p> <p>15 just hit her. And so we used a minimal amount of force</p> <p>16 to gain compliance from him till the police arrived.</p> <p>17 And I had to go to, you know, to court for that and give</p> <p>18 my witness.</p> <p>19 Q. Were you one of the people that had to restrained</p> <p>20 the customer?</p> <p>21 A. Yes, ma'am. I am the person who restrained him.</p> <p>22 Q. Other than the incident with the customer who</p> <p>23 punched a waitress, have you provided any testimony in</p> <p>24 relation to your work at Heartbreakers?</p> <p>25 A. No, ma'am, I have not.</p>

Damon Jackson

April 23, 2021

46 to 49

<p style="text-align: right;">Page 46</p> <p>1 MS. MONTGOMERY: Let's take, like, a five</p> <p>2 minutes break.</p> <p>3 WITNESS: Sure.</p> <p>4 COURT REPORTER: We're off the record at</p> <p>5 10:58 a.m. Central Standard Time.</p> <p>6 (Off the record.)</p> <p>7 COURT REPORTER: We're back on the record.</p> <p>8 The time is 11:04 a.m.</p> <p>9 Q. (BY MS. MONTGOMERY) Mr. Jackson, I'll have you</p> <p>10 look at a couple more items for me. And I know it's</p> <p>11 going to be difficult on your phone, so let's just see</p> <p>12 how it works, okay?</p> <p>13 A. We'll do our best.</p> <p>14 Q. Mark this as Exhibit 2, to your deposition.</p> <p>15 I'll represent to you this is a document that was</p> <p>16 given to me by Heartbreakers' counsel. And it's titled,</p> <p>17 Hours and Earnings Detail Report.</p> <p>18 Have you ever seen this type of a document for an</p> <p>19 entertainer?</p> <p>20 (Exhibit 2 marked.)</p> <p>21 A. (BY MS. MONTGOMERY) No. May I fetch my glasses</p> <p>22 really quick? I'll be right back.</p> <p>23 Q. Sure.</p> <p>24 A. Sure. I am going to have to adjust this real</p> <p>25 quick.</p>	<p style="text-align: right;">Page 48</p> <p>1 see the whole thing?</p> <p>2 A. Uh-huh.</p> <p>3 Q. And it's titled; Memo to all</p> <p>4 Dancers/Entertainers. Let me scroll down a little bit.</p> <p>5 Have you ever seen this document before?</p> <p>6 A. Yes, ma'am.</p> <p>7 Q. And is this a typical document you -- you would</p> <p>8 have an entertainer fill out when she was coming to</p> <p>9 perform at Heartbreakers?</p> <p>10 A. Yes, I would.</p> <p>11 Q. And is there any other --</p> <p>12 A. That's -- that's part of the independent</p> <p>13 contractor form.</p> <p>14 Q. And is there any other employee or staff of</p> <p>15 Heartbreakers that would fill out this form?</p> <p>16 A. No, ma'am. It would either be the general</p> <p>17 manager or manager on duty.</p> <p>18 Q. No, no. I guess, other than entertainers is this</p> <p>19 a document that has to be presented to other staff at</p> <p>20 the club to be filled out when they start to work at the</p> <p>21 club?</p> <p>22 A. No. Because this one here specifically says, as</p> <p>23 an entertainer.</p> <p>24 Q. And I don't -- I don't know, is there an</p> <p>25 equivalent one for --</p>
<p style="text-align: right;">Page 47</p> <p>1 Q. I'll make it as big as I can, at least on the</p> <p>2 title part.</p> <p>3 A. No. Not in it's printed form, I've never seen</p> <p>4 that.</p> <p>5 Q. And I'll -- I can read the columns to you. It</p> <p>6 gives the Date, the TimeIn, the TimeOut, Hours, Wages, I</p> <p>7 don't know what that -- oh, tips declared, I guess.</p> <p>8 Those are some of the columns. In the end it says</p> <p>9 hourly wage. Have you ever seen --</p> <p>10 A. Yes. This would all fall into the cashier's</p> <p>11 responsibilities. I mean, I've seen that but I very</p> <p>12 seldom have dealt with it.</p> <p>13 Q. Okay. And is that something then that the</p> <p>14 cashiers are tracking? The time --</p> <p>15 A. Beg your pardon?</p> <p>16 Q. The TimeIn -- the Date, the Timein, the TimeOut?</p> <p>17 A. Yes, ma'am.</p> <p>18 Q. Okay. I'll show you what I marked as Exhibit 3</p> <p>19 and I'll make this bigger for you so you can see it.</p> <p>20 Okay.</p> <p>21 Are you able to read that top part at least?</p> <p>22 (Exhibit 3 marked.)</p> <p>23 A. Yes, ma'am.</p> <p>24 Q. And I'll scroll down just so you can get -- let</p> <p>25 me see if I can center it. I'll scroll down so you can</p>	<p style="text-align: right;">Page 49</p> <p>1 A. We have -- we have a waitress handbook, you know,</p> <p>2 that they -- that let's them know what their general</p> <p>3 responsibilities are and what their expected to do and</p> <p>4 not do.</p> <p>5 Q. Let me show what I'm marking as Exhibit 4. I'll</p> <p>6 make it bigger. Make it a little --</p> <p>7 (Exhibit 4 marked.)</p> <p>8 A. I can see that.</p> <p>9 Q. Okay. I'll scroll down, so you can see the whole</p> <p>10 thing.</p> <p>11 Have you seen this document before?</p> <p>12 A. Yes, ma'am.</p> <p>13 Q. And is this also a document that's provided for</p> <p>14 all entertainers to sign?</p> <p>15 A. That is correct.</p> <p>16 Q. Has that been -- has this -- it's titled</p> <p>17 Heartbreakers' Policy. Has this document been provided</p> <p>18 for an entertainer to sign in the past five years?</p> <p>19 A. Oh, yes. Definitely.</p> <p>20 Q. And maybe --</p> <p>21 A. Longer -- longer, yeah.</p> <p>22 MS. MONTGOMERY: I will reserve the rest of</p> <p>23 my questions. I pass the witness.</p> <p>24 MR. KING: Let me take five minutes just to</p> <p>25 take if I have any following questions. I won't --</p>

<p style="text-align: right;">Page 50</p> <p>1 because I might not. I just want to go through a couple</p> <p>2 of things.</p> <p>3 MS. MONTGOMERY: Sure.</p> <p>4 COURT REPORTER: Off the record at 11:10</p> <p>5 a.m. Central Standard Time.</p> <p>6 (Off the record.)</p> <p>7 COURT REPORTER: We're back on the record.</p> <p>8 The time is 11:14 a.m.</p> <p>9 EXAMINATION</p> <p>10 BY MR. KING:</p> <p>11 Q. All right. Mr. Jackson, I just have a couple of</p> <p>12 questions for you. I just want to --</p> <p>13 A. Sure.</p> <p>14 Q. -- explain a couple things.</p> <p>15 What sort of schedule requirements exist at</p> <p>16 Heartbreakers for the dancer?</p> <p>17 A. There is no schedule requirement. They come and</p> <p>18 go as they please, they work their own hours. We have</p> <p>19 set -- set, you know, slots that we, you know, we prefer</p> <p>20 you working those slots. But outside of that they have</p> <p>21 an open itinerary.</p> <p>22 Q. Do managers ever tell performers; "Well, you</p> <p>23 can't work some -- some shift"?</p> <p>24 A. No. No. And they're not required to come work</p> <p>25 any shifts either. I can't tell you; "Hey, if you want</p>	<p style="text-align: right;">Page 52</p> <p>1 time with the customer. And a lot of them have</p> <p>2 regulars, you know, so they come and go on a pretty</p> <p>3 standard basis. You're liable to see the same girl four</p> <p>4 or five nights a week.</p> <p>5 Q. How do entertainers chose -- decide to spend</p> <p>6 their time?</p> <p>7 MS. MONTGOMERY: Objection --</p> <p>8 A. That's -- that's up to them.</p> <p>9 MS. MONTGOMERY: Objection; form.</p> <p>10 A. They can -- they can sit in a corner on their</p> <p>11 phone. I'm sorry.</p> <p>12 MS. MONTGOMERY: I'm sorry.</p> <p>13 A. Or they can --</p> <p>14 MS. MONTGOMERY: Object to form of that. Go</p> <p>15 ahead.</p> <p>16 A. Okay. I'm sorry.</p> <p>17 Q. (BY MR. KING) I might have asked a bad question.</p> <p>18 Go ahead.</p> <p>19 A. Me go ahead or --</p> <p>20 Q. Yes, sir. You go ahead, sir.</p> <p>21 A. They -- however, they decide to spend it. They</p> <p>22 can sit on their phone or they can engage with the</p> <p>23 customer base in the club. But there's no standard.</p> <p>24 There's no rule. Yeah, I wouldn't go up and tell you,</p> <p>25 "Hey you need to get off your phone and go talk to this</p>
<p style="text-align: right;">Page 51</p> <p>1 to work Sunday night -- I mean Friday night you got to</p> <p>2 be here Sunday morning." We don't do anything like</p> <p>3 that.</p> <p>4 Q. Some clubs do that, right?</p> <p>5 A. To my knowledge, yes, they do.</p> <p>6 Q. But not at Heartbreakers?</p> <p>7 A. Not at Heartbreakers.</p> <p>8 Q. You been working there for what almost --</p> <p>9 A. Almost 33 years.</p> <p>10 Q. 33 years?</p> <p>11 A. Yeah.</p> <p>12 Q. You've met a lot of entertainers in your time?</p> <p>13 A. Thousands.</p> <p>14 Q. Thousands?</p> <p>15 A. Literally thousands, yes. Literally.</p> <p>16 Q. So you -- you know a lot about their work, right?</p> <p>17 A. Yes, sir. I do.</p> <p>18 Q. What -- what, in your opinion, do entertainers do</p> <p>19 for a living? Can you describe --</p> <p>20 A. You know, the -- the -- to me the better</p> <p>21 definition of the word, would be like a courtesan.</p> <p>22 Because they're there to entertain and provide company.</p> <p>23 You know, it's not like they're doing magic tricks or</p> <p>24 your taxes. Usually they just sit, you know, eat dinner</p> <p>25 and have conversation. You know, and just spend their</p>	<p style="text-align: right;">Page 53</p> <p>1 guy over here, he's got money." That's -- that's your</p> <p>2 business.</p> <p>3 Q. What -- what things effect the amount of money</p> <p>4 that a dancer can make when she shows up at</p> <p>5 Heartbreakers?</p> <p>6 A. I would put that down to attitude and, you know,</p> <p>7 contribution, what you put into it. I mean, the more --</p> <p>8 the more time you spend with customers engaging and</p> <p>9 interacting, you know, and the more you are in view</p> <p>10 yourself to them, the better money you would make.</p> <p>11 Yeah, the girls that make most money, I've</p> <p>12 noticed in this industry, is the girls who are -- are</p> <p>13 very well engaging a customer verbally, you know.</p> <p>14 Q. Do -- what sort of -- I'm trying to get this out</p> <p>15 without leading?</p> <p>16 A. Yeah.</p> <p>17 Q. What range of money have you seen entertainers</p> <p>18 make at Heartbreakers?</p> <p>19 A. I have seen an entertainer make no money who's,</p> <p>20 you know, by society standards physically beautiful.</p> <p>21 And then I've have seen women who are not, by society</p> <p>22 standards, make lots of money. It just depends.</p> <p>23 There's no way to gauge. There's no way to gauge on how</p> <p>24 many customers are in the building, or how many girls</p> <p>25 are working. You can't do it. I could have four guys</p>

<p style="text-align: right;">Page 54</p> <p>1 in the club that night and entertainers do really well.</p> <p>2 I could have 100 guys in the club that night and they</p> <p>3 don't, it just depends. There's -- there's no algorithm</p> <p>4 that you could apply to, there's not. It's completely</p> <p>5 random.</p> <p>6 Q. With your decades of experience at Heartbreakers</p> <p>7 you've -- you met probably also thousands and thousands</p> <p>8 of customers, true?</p> <p>9 A. Oh, yes. Yes. I have personal relationships</p> <p>10 with many of them.</p> <p>11 Q. What -- what in your -- what kinds of things do</p> <p>12 customers come to Heartbreakers for?</p> <p>13 A. Oh, predominantly they come for companionship,</p> <p>14 entertainment. I mean, this is a place where the</p> <p>15 standards of society are broken down. And some of the</p> <p>16 guys that come into my club, just, you know can be a wee</p> <p>17 bit introverted, or just shy. And here is a place where</p> <p>18 all the barriers and standards of our society are broken</p> <p>19 down, and a beautiful women engages you. Where outside</p> <p>20 of the safety of the environment that we're in if that</p> <p>21 woman engaged him in a public he may not be able to</p> <p>22 speak to her. Yeah.</p> <p>23 Q. Do some --</p> <p>24 A. Just because he's so nervous or something along</p> <p>25 those lines. So the companionship is the primary.</p>	<p style="text-align: right;">Page 56</p> <p>1 rule where I can say, "Hey you need to do this and do</p> <p>2 that."</p> <p>3 Q. I'm sorry. Did you say that you suggest to</p> <p>4 entertainers that they actual perform clothed?</p> <p>5 A. Oh, yes. Yes. Oh, yeah.</p> <p>6 Q. Why so?</p> <p>7 A. Just because the mystique of, you know, kind of</p> <p>8 like what's the old saying, you don't -- you don't take</p> <p>9 the milk from the cow. I mean, you don't want to just</p> <p>10 give it all away. Yeah. And, I think, it's our nature</p> <p>11 as people predominately, that, you know, we want what we</p> <p>12 can't have or what we -- what we can't see, we find</p> <p>13 intriguing, you know.</p> <p>14 So I've suggested sometimes, you know, a better</p> <p>15 dress be better, but again I have no standard for which</p> <p>16 I can force that.</p> <p>17 Q. What about, I don't know, dancer's shoes?</p> <p>18 A. Nope. The -- the only thing that ever pops up is</p> <p>19 being barefoot, you know. And that's strictly for</p> <p>20 safety purposes in the event there's broken glass or</p> <p>21 something along those lines in the carpet.</p> <p>22 Q. Do customers drop beer bottles and glass on the</p> <p>23 floor?</p> <p>24 A. Sure. Sure have.</p> <p>25 Q. And smoking is allowed in the club, right?</p>
<p style="text-align: right;">Page 55</p> <p>1 Q. Do some customers go to Heartbreakers just to</p> <p>2 have a beer with friends?</p> <p>3 MS. MONTGOMERY: Objection; leading.</p> <p>4 A. I have customers that just come in to eat. I</p> <p>5 don't know if you ever ate at Heartbreakers but I would</p> <p>6 say we're probably in the top 40 best restaurants in</p> <p>7 Galveston County. Like, honestly top 40. We have great</p> <p>8 food, amazing food. Chris Clark is one of the best</p> <p>9 cooks I've ever worked with in my life.</p> <p>10 Q. Have you ever encountered customers who just --</p> <p>11 they show up and they don't pay for any dances?</p> <p>12 A. Oh, yes. All the time.</p> <p>13 Q. How common is that that?</p> <p>14 A. What is that?</p> <p>15 Q. How common has that been --</p> <p>16 A. On an actual daily basis. Because, like, you</p> <p>17 have -- we have clientele that would come in just to</p> <p>18 eat, drink, and socialize with the bartender, you know.</p> <p>19 And that's on a daily basis.</p> <p>20 Q. Have you ever told entertainers that they need to</p> <p>21 change their outfits?</p> <p>22 A. No. No. I haven't told them what they need.</p> <p>23 I've made suggestions in the past that, you know,</p> <p>24 clothes is better sometimes, you know, people pay for</p> <p>25 what they can't have and then, you know. But there's no</p>	<p style="text-align: right;">Page 57</p> <p>1 A. Smoking is allowed.</p> <p>2 Q. Are there ever lit cigarettes on the floor?</p> <p>3 A. I've seen an ashtray get knocked over or</p> <p>4 something like that, occasionally. But nothing crazy</p> <p>5 like people just throwing cigarettes on the floor or</p> <p>6 anything.</p> <p>7 Q. Sure.</p> <p>8 A. Our -- our biggest worry with the shoes is glass.</p> <p>9 We just don't want anybody getting hurt.</p> <p>10 Q. Right. And, you know, I heard you testify a lot</p> <p>11 about safety and security at the club.</p> <p>12 A. Yes, sir.</p> <p>13 Q. What sort of issues are dangerous to entertainers</p> <p>14 as well as customers?</p> <p>15 A. Well, occasionally if the customer gets too</p> <p>16 intoxicated and tries to get handsy. I've had to step</p> <p>17 in between verbal disagreements between entertainers.</p> <p>18 Heartbreakers is a real anomaly, though. I mean, I</p> <p>19 worked there when it was at it's absolute worst and it's</p> <p>20 absolute best and, like, honestly I don't think I put my</p> <p>21 hands on another human being in about three years. I've</p> <p>22 been able to verbally, you know, just persuade them from</p> <p>23 their actions.</p> <p>24 Q. Have you ever had to deal with, I don't know, a</p> <p>25 violent entertainer?</p>

<p style="text-align: right;">Page 58</p> <p>1 A. Yes, sir. I have. I have.</p> <p>2 Q. How so?</p> <p>3 A. I've been hit in a head with a hurricane glass, I</p> <p>4 have been punched with a high heel, I mean, it's just</p> <p>5 there's a couple of things that goes on. And when that</p> <p>6 happens, you know, it's just one of those things where</p> <p>7 you send them home and decide whether or not you should</p> <p>8 negate their contract -- nullify their contract because</p> <p>9 their endangering the safety of, you know, everybody</p> <p>10 else there.</p> <p>11 Q. But if they're not throwing shoes or</p> <p>12 stabbing people --</p> <p>13 A. No. No. No.</p> <p>14 Q. You don't --</p> <p>15 A. We normally would send them home, just send them</p> <p>16 home for the night and discuss it with them the next</p> <p>17 day. Or when they return.</p> <p>18 Q. But aside from being attacked with some object by</p> <p>19 an entertainer, did your job ever involve dictating how</p> <p>20 they perform for customers?</p> <p>21 A. No. No. As long as they were, you know,</p> <p>22 overstepping the boundaries allowed by state law. And</p> <p>23 even then I just make the suggestion that you might want</p> <p>24 to separate a little bit.</p> <p>25 Q. You know, I have a question about entertainers</p>	<p style="text-align: right;">Page 60</p> <p>1 is because he wishes for variety, you know.</p> <p>2 Q. Do they ever get in fights over money earned at</p> <p>3 the club?</p> <p>4 A. They have. You know, I've been sitting with so</p> <p>5 and so long, I've been sitting with him this long, I was</p> <p>6 sitting there longer, you know.</p> <p>7 Q. So okay. That's interesting.</p> <p>8 A. And I have no way of dictating how long they've</p> <p>9 been there. It's really a difficult call for us, you</p> <p>10 know. I mean, it's not like I'm standing over their</p> <p>11 shoulder going 45 minutes, you know.</p> <p>12 Q. How long has the commission for the executive</p> <p>13 room been around?</p> <p>14 A. The executive room opened in 1999, if I remember</p> <p>15 correctly '98.</p> <p>16 Q. Okay. And how long has there been a commission</p> <p>17 for that --</p> <p>18 A. Oh, just recently. Like in the last year and a</p> <p>19 half, I believe.</p> <p>20 Q. So it hasn't been around the entire time?</p> <p>21 A. No. No, it has not. And for the majority of</p> <p>22 that year and a half we've been closed. So it was</p> <p>23 something we started right before COVID, and yeah.</p> <p>24 Q. I think, you were discussing with Ms. Montgomery</p> <p>25 how the club had some sort of promotion of alcohol where</p>
<p style="text-align: right;">Page 59</p> <p>1 who may tip other Heartbreakers' personnel.</p> <p>2 A. Sure.</p> <p>3 Q. Do managers at Heartbreakers require dancers to</p> <p>4 pay them tips?</p> <p>5 A. No, sir.</p> <p>6 Q. Why?</p> <p>7 A. Well, to me it's bad form. You know,</p> <p>8 predominately you can't be objective, you know. If</p> <p>9 you're accepting tips from this girl or that girl and</p> <p>10 you know, say there's an incident later on someone says;</p> <p>11 "Well, you're playing favorites because of this person</p> <p>12 right here." Let's say two entertainers get into an</p> <p>13 argument, it's easier to keep a neutral ground, you</p> <p>14 know, if not. And honestly they don't tip very often.</p> <p>15 They're not the most generous souls in the world.</p> <p>16 There's a few of them, you know. But there's a whole</p> <p>17 lot that don't.</p> <p>18 Q. What -- what sort of disputes do entertainers get</p> <p>19 into?</p> <p>20 A. Normally things that are outside of the club's</p> <p>21 control. Things in their outside lives.</p> <p>22 Q. Do they ever get into fights over customers?</p> <p>23 A. No. Not really, every once in a while. But, you</p> <p>24 know, you sit down and explain to them that a customer</p> <p>25 has no problems. You know, the main reason he's there</p>	<p style="text-align: right;">Page 61</p> <p>1 entertainers could make --</p> <p>2 A. We only tried it once or twice and it didn't work</p> <p>3 out. Like, we had a champagne promotion and we had like</p> <p>4 a case of champagne and we tried it. And honestly, I</p> <p>5 think, one person sold one, maybe two.</p> <p>6 Q. When was it?</p> <p>7 A. Two or three years ago. Its been a while.</p> <p>8 Q. So is it -- so, am I understanding correctly that</p> <p>9 over time how -- what happens in the club as far as what</p> <p>10 entertainers do, that changes over time?</p> <p>11 A. No. Not really. I mean, it -- clarify that a</p> <p>12 little bit for me.</p> <p>13 Q. Sure. I guess, you know, I'm talking about the</p> <p>14 promotions or the commissions --</p> <p>15 A. Oh, yeah. There's nothing set in stone for that.</p> <p>16 Those are -- those are immaterial we trade them -- but</p> <p>17 we didn't do it very often. Like, I said we did it</p> <p>18 twice we've done promotions. And they were really just</p> <p>19 not worth the time and effort.</p> <p>20 Q. Are you familiar with dance dollars?</p> <p>21 A. I am.</p> <p>22 Q. How long have dance dollars been around for?</p> <p>23 A. Forever, I couldn't give you a date on that.</p> <p>24 They've been around for a long time.</p> <p>25 Q. Okay.</p>

Damon Jackson

April 23, 2021

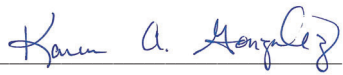
62 to 65

<p style="text-align: right;">Page 62</p> <p>1 A. Yeah. At least 2000, you know.</p> <p>2 Q. Do dancers ever use those dance dollars to, you</p> <p>3 know, tip a waitress or a bartender or something like</p> <p>4 that?</p> <p>5 A. I'm sure they do.</p> <p>6 Q. Do dance dollars circulate the club is basically</p> <p>7 what I'm asking?</p> <p>8 A. Oh, yeah. Constantly. Constantly.</p> <p>9 Q. Are -- are dancers required to redeem their dance</p> <p>10 dollars at the end of the night?</p> <p>11 A. No. They're not. They can hold on to them for</p> <p>12 as long as they want.</p> <p>13 Q. That's all I have for your, sir. Thank you for</p> <p>14 your time.</p> <p>15 A. Yes, sir.</p> <p>16 Q. Unless Ms. Montgomery has follow-up questions?</p> <p>17 MS. MONTGOMERY: I'll reserve my questions.</p> <p>18 MR. KING: All right.</p> <p>19 Mr. Jackson, we're all done.</p> <p>20 WITNESS: That's it?</p> <p>21 MS. MONTGOMERY: That's it.</p> <p>22 WITNESS: It was a pleasure y'all take care</p> <p>23 of yourselves.</p> <p>24 COURT REPORTER: Are we doing a read and</p> <p>25 sign, sorry.</p> <p style="text-align: right;">Page 63</p> <p>1 MR. KING: Yes, please.</p> <p>2 COURT REPORTER: Off the record at 11:29</p> <p>3 a.m. Central Standard Time.</p> <p>4 (End of proceedings.)</p> <p>5</p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p style="text-align: right;">Page 64</p> <p>1 CHANGES AND SIGNATURE</p> <p>2 WITNESS NAME: DAMON JACKSON</p> <p>3 DATE OF DEPOSITION: APRIL 23, 2021</p> <p>4</p> <p>5 Please indicate changes on this sheet of paper,</p> <p>6 giving the change, page number, line number, and reason</p> <p>7 for the change. Please sign each page of changes.</p> <p>8</p> <table border="1"> <thead> <tr> <th>PAGE/LINE</th> <th>CORRECTION</th> <th>REASON FOR CHANGE</th> </tr> </thead> <tbody> <tr><td>9</td><td></td><td></td></tr> <tr><td>10</td><td></td><td></td></tr> <tr><td>11</td><td></td><td></td></tr> <tr><td>12</td><td></td><td></td></tr> <tr><td>13</td><td></td><td></td></tr> <tr><td>14</td><td></td><td></td></tr> <tr><td>15</td><td></td><td></td></tr> <tr><td>16</td><td></td><td></td></tr> <tr><td>17</td><td></td><td></td></tr> <tr><td>18</td><td></td><td></td></tr> <tr><td>19</td><td></td><td></td></tr> <tr><td>20</td><td></td><td></td></tr> <tr><td>21</td><td></td><td></td></tr> <tr><td>22</td><td></td><td></td></tr> <tr><td>23</td><td></td><td></td></tr> <tr><td>24</td><td></td><td></td></tr> <tr><td>25</td><td></td><td></td></tr> </tbody> </table> <p style="text-align: right;">Page 65</p> <p>1 I, DAMON JACKSON, have read the foregoing</p> <p>2 deposition and hereby affix my signature that same is</p> <p>3 true and correct, except as noted above.</p> <p>4</p> <p>5 _____</p> <p>6 DAMON JACKSON</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15 _____ No changes made _____ Amendment Sheet(s) attached</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	PAGE/LINE	CORRECTION	REASON FOR CHANGE	9			10			11			12			13			14			15			16			17			18			19			20			21			22			23			24			25		
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Damon Jackson

April 23, 2021

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<p>Page 66</p> <p>1 THE UNITED STATES DISTRICT COURT</p> <p>2 FOR THE SOUTHERN DISTRICT OF TEXAS</p> <p>3 GALVESTON DIVISION</p> <p>4 STACEY KIBODEAUX aka Case No.: 3:20-cv-00008</p> <p>ILLUSION, HAILEY CHAPMAN</p> <p>5 aka DAISY, JEAN JURY TRIAL DEMANDED</p> <p>HOFFMEISTER aka JOHNE and</p> <p>6 ROXANNE MURILLO aka §</p> <p>UNIQUE/ROXANNE, §</p> <p>7 individuals, §</p> <p>Plaintiff, §</p> <p>8 vs. §</p> <p>A&D INTERESTS, INC. D/B/A §</p> <p>HEARTBREAKERS GENTLEMAN'S §</p> <p>9 CLUB, MIKE A. ARMSTRONG, §</p> <p>PEGGY A. ARMSTRONG AND §</p> <p>10 WHITEY DOE, INDIVIDUALS, §</p> <p>Defendants. §</p> <p>11 §</p> <p>12 REPORTER'S CERTIFICATION OF THE ORAL</p> <p>DEPOSITION OF DAMON JACKSON</p> <p>13 April 23, 2021</p> <p>14</p> <p>15 I, Karen Aralhy Gonzalez, a Notary in and for the</p> <p>16 State of Texas, hereby certify to the following:</p> <p>17 That the witness, DAMON JACKSON, was duly sworn by</p> <p>18 the officer and that the transcript of the oral</p> <p>19 deposition is a true record of the testimony given by</p> <p>20 the witness;</p> <p>21 That a copy of the certificate was served on all</p> <p>22 parties and/or the witness shown herein on</p> <p>23 _____.</p> <p>24 I further certify that pursuant to FRCP Rule</p> <p>25 30(f)(1) that the signature of the deponent:</p>	
<p>Page 67</p> <p>1 X was requested by the deponent or a party before</p> <p>2 the completion of the deposition and that signature is</p> <p>3 to be before any notary public and returned within 30</p> <p>4 days from date of receipt of the transcript. If</p> <p>5 returned, the attached Changes and Signature Page</p> <p>6 contains any changes and the reasons therefor;</p> <p>7 ____ was not requested by the deponent or a</p> <p>8 party before the completion of the deposition.</p> <p>9 I further certify that I am neither counsel for,</p> <p>10 related to, nor employed by any of the parties or</p> <p>11 attorneys in the action in which this proceeding was</p> <p>12 taken, and further that I am not financially or</p> <p>13 otherwise interested in the outcome of the action.</p> <p>14 Certified to by me this 23rd day of April, 2021.</p> <p>15</p> <p>16 </p> <p>17 KAREN ARALHY GONZALEZ</p> <p>18 Notary in and for the</p> <p>19 State of Texas</p> <p>20 Notary: 132644762</p> <p>My Commission Expires:</p> <p>21 August 26, 2024</p> <p>22 US LEGAL</p> <p>8144 Walnut Hill Lane</p> <p>23 Suite 350</p> <p>Dallas, Texas 75231</p> <p>24 214-741-6001</p> <p>214-741-6821 (FAX)</p> <p>25 Firm Registration No. 343</p>	